

Healthcare spending for privately insured children with diabetes rises sharply, 2011-2013

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The **HIGH COST** of **DIABETES**: 2013

Over **\$10,000/person** more was spent on health care for people with diabetes than those without diabetes



Spending on branded insulins for children was **more than double** spending for adults



Out-of-pocket health care costs were **more than 2.5x** higher for people with diabetes



High cost of diabetes. Credit: HCCI

Per capita health care spending for children with diabetes covered by employer-sponsored insurance (ESI) grew faster than for any other age group with diabetes, rising 7% from 2011 to 2012 and 9.6% from 2012 to 2013, according to a study released today by the Health Care Cost Institute (HCCI). Overall per capita spending for individuals younger than age 65, covered by ESI, and with diabetes rose 4.1% in 2013, nearly double the 2012 increase (2.2%).

The report, *Per Capita Health Care Spending on Diabetes: 2009-2013*, is one of the first of its kind to examine health care spending for adults and children with [diabetes](#) relative to those without diabetes, both in terms of total per capita health care spending and out-of-pocket costs. It is based on the health care claims of more than 40 million Americans younger than 65 covered by ESI from 2009 to 2013. HCCI identified 5.3% of the ESI population as having diagnosed diabetes (type 1 or type 2) in 2013, up from 4.7% in 2009.

"The number of people with diabetes continues to grow, as does the health care spending for these individuals," said HCCI Executive Director David Newman. "We, and others, need to better understand the relationship between spending and actual health outcomes for people with diabetes, particularly children."

Spending on Children With Diabetes

Health care spending for children with diabetes rose from 2011 to 2013, and the dollar amount increase in per capita spending for children

(\$1,361) between 2012 and 2013 was nearly double the increase for young adults ages 19-25 (\$753), who saw the second largest increase in spending.

The rise in spending for children with diabetes was in part due to higher spending on branded insulin. In 2013, \$2,511 was spent per child with diabetes on branded insulin, more than four times what was spent on branded insulin for middle-aged adults (\$589) and pre-Medicare adults (\$617). From 2009 to 2013, per capita spending on branded insulin increased 70% (by \$1,037) for children.

"There has been extraordinary growth in [health care spending](#) for [children](#) with diabetes," said HCCI Senior Researcher Amanda Frost. "It appears that higher spending on branded insulin is one factor influencing this trend. Moving forward, it will be important to continue to analyze these spending trends to see what else we can learn about how the way we manage diabetes contributes to its costs. "

Health Spending Is Substantially Higher for People with Diabetes

While diabetes has been widely recognized as a growing public health challenge in the U.S., the report indicates that it also imposes a heavy financial burden on individuals. Spending differences between consumers with and without diabetes were considerable. In 2013, \$14,999 was spent per capita on [health care](#) for people with diabetes - nearly 71% (\$10,700) more than the \$4,305 spent per capita for those without the disease.

Those with diabetes faced out-of-pocket per capita costs that were more than double that for those without the disease—\$1,922 vs. \$738. Out-of-pocket spending for consumers with diabetes rose 3.4% on average annually from 2009 to 2013.

Other Report Highlights:

- **Gender Gap in Spending:** Women with diabetes (ages 19-54) had higher per capita spending than men with diabetes their age. The gender difference in spending was largest between men and women ages 26-44; in 2013, spending was \$3,300 higher for women in this age range.
- **Pre-Medicare Adults (55-64):** Pre-Medicare adults with diabetes had the highest per capita spending for any age group. In 2013, [spending](#) was \$16,889 per capita, 3.7% higher than in 2012 (a \$603 increase).

More information: www.healthcostinstitute.org/is...g-diabetes-2009-2013

Provided by Burness Communications

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